

**CALENDAR ITEM
C15**

A 8, 9, 15

12/14/06

PRC 7203.9

S 4, 5

D. Jones

AMENDMENT OF LEASE

LESSEE:

The Reclamation Board
3310 El Camino Avenue, Room 140
Sacramento, CA 95825

AREA, LAND TYPE, AND LOCATION:

Master Lease:

Sovereign lands in the Sacramento River and its tributaries.

AUTHORIZED USE:

The construction, use and maintenance of new bank protection.

LEASE TERM:

Master Lease:

30 years, beginning May 1, 1988.

CONSIDERATION:

The public use and benefit; with the State reserving the right at any time to set a monetary rent if the Commission finds such action to be in the State's best interest.

PROPOSED AMENDMENT:

Amend the lease premises to include the construction and maintenance of bank protection at 14 sites including the Sacramento River at RM 16.9L near Rio Vista, Sacramento County; Sacramento River at RM 33.0R, 33.3R, near Courtland, Yolo County; Steamboat Slough at RM's 19.0R, 19.4R, and 22.7R near Rio Vista, Solano and Sacramento Counties; Sacramento River at RM's 62.5R near the city of West Sacramento, Yolo County; Sacramento River at RM's 43.7R, 44.7R, 47.0L, 47.9R, and 48.2R near the city of Sacramento, Sacramento and Yolo Counties; Sacramento River at RM's 68.9L, and 78.0L near the city of

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Sacramento, Sacramento and Sutter Counties. All other terms and conditions of the lease shall remain in effect without amendment.

OTHER PERTINENT INFORMATION:

1. Lessee has the right to use the uplands adjoining the lease premises.
2. The Sacramento River Bank Protection Project, authorized by Congress in 1960, directs the U.S. Army Corps of Engineers to provide bank protection along the Sacramento River and its tributaries. The State Legislature authorized the Reclamation Board's participation in the Sacramento River Bank Protection Project.

A Master Lease to the Reclamation Board for the Sacramento River Bank Protection Project was authorized by the State Lands Commission on May 9, 1988, effective May 1, 1988. The Master Lease authorizes maintenance of existing bank protection structures and construction of new bank protection structures as specific construction sites become known. The Master Lease also requires the Reclamation Board to seek an amendment of the lease to include new sites.

3. On February 24, 2006, Governor Arnold Schwarzenegger declared a state of emergency (Declaration of State of Emergency of California Levee System and March 7, 2006 Executive Order S-01-06) with respect to California's levee system. The Governor's proclamation focused on the imminent threat of certain critical levee-erosion sites in the counties of Colusa, Sacramento, Solano, Sutter, Yolo and Yuba. At the Commission's June 26, 2006, meeting, it authorized The Reclamation Board to repair 13 critical sites in the Sacramento River.
4. Under this application, the Reclamation Board, in partnership with the U.S. Army Corps of Engineers under the Sacramento River Bank Protection Project, is proposing to repair 14 additional critical erosion sites:
Sacramento River at RM 16.9L near Rio Vista, Sacramento County;
Sacramento River at RM 33.0R, 33.3R, near Courtland, Yolo County;
Steamboat Slough at RM's 19.0R, 19.4R, and 22.7R near Rio Vista, Solano and Sacramento Counties; Sacramento River at RM's 62.5R near the city of West Sacramento, Yolo County; Sacramento River at RM's 43.7R, 44.7R, 47.0L, 47.9R, and 48.2R near the city of Sacramento, Sacramento and Yolo Counties; Sacramento River at RM's 68.9L, and 78.0L, near the city of Sacramento, Sacramento and Sutter counties. Erosion into the banks at these sites requires immediate work to prevent levee failure.

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5. The proposed bank protection work at each of the sites involves rock revetment, placement of non-engineered fill, and placing and preserving existing in-stream wood material clusters for aquatic habitat and planting pole and container plantings to stabilize the bank and provide riparian habitat.
6. On June 26, 2006, the Commission amended its Master Lease to The State Reclamation Board to include the construction and maintenance of bank protection at eight critical levee sites along the Sacramento River, in the Pocket Area, city of Sacramento, Sacramento County, which are among the critical erosion sites in the governor's February 24, 2006, Declaration of State of Emergency of California Levee System, and March 7, 2006, Executive Order S-01-06.

A Mitigated Negative Declaration and a Mitigation Monitoring Program (MMP) were prepared for the work at the above described sites (Project) and subsequently adopted by The Reclamation Board. The California State Lands Commission's staff has reviewed such document and the Commission adopted the MMP in its approval of the Project and amendment to the Master Lease on June 26, 2006. Although the sites described in the "proposed Amendment" of this Calendar item were not included in the above cited Mitigated Negative Declaration, the staff of The Reclamation Board indicates that the previously adopted MMP will also be applied to the construction and maintenance of bank protection at the aforementioned 14 sites, which are proposed to be included under the Master Lease to The Reclamation Board.

7. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 15061), the staff has determined that this activity is exempt from the requirements of the CEQA under the general rule that the CEQA applies only to projects which have the potential for causing a significant effect on the environment. The staff believes, based on the information available to it, that there is no possibility that this project may have a significant effect on the environment.

Authority: Title 14, California Code of Regulations, section 15061 (b) (3).

8. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 15061), the

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staff has determined that this activity is exempt from the requirements of the CEQA as a statutorily exempt project. The project is exempt because it involves emergency repairs to public service facilities necessary to maintain service.

Authority: Public Resources Code section 21080 (b) (2) and Title 14, California Code of Regulations, section 15269 (b).

9. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code sections 6370, et seq. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

APPROVALS REQUIRED:

U.S. Army Corps of Engineers, NOAA Fisheries, U.S. Fish and Wildlife Service, California Department of Fish and Game, The Reclamation Board, and the California Regional Water Quality Control Board

EXHIBIT:

- A. Site Map and Location Map

PERMIT STREAMLINING ACT DEADLINE:

January 14, 2007

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 BECAUSE THERE IS NO POSSIBILITY THAT THE ACTIVITY MAY HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT; TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 (b)(3).

FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 AS A STATUTORILY EXEMPT PROJECT PURSUANT TO PUBLIC RESOURCES CODE SECTION 21080 (b) (1) AND TITLE 14, CALIFORNIA CODE OF REGULATIONS,

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SECTION 15269 (b), EMERGENCY REPAIRS TO PUBLIC SERVICE FACILITIES NECESSARY TO MAINTAIN SERVICE.

SIGNIFICANT LANDS INVENTORY FINDING:

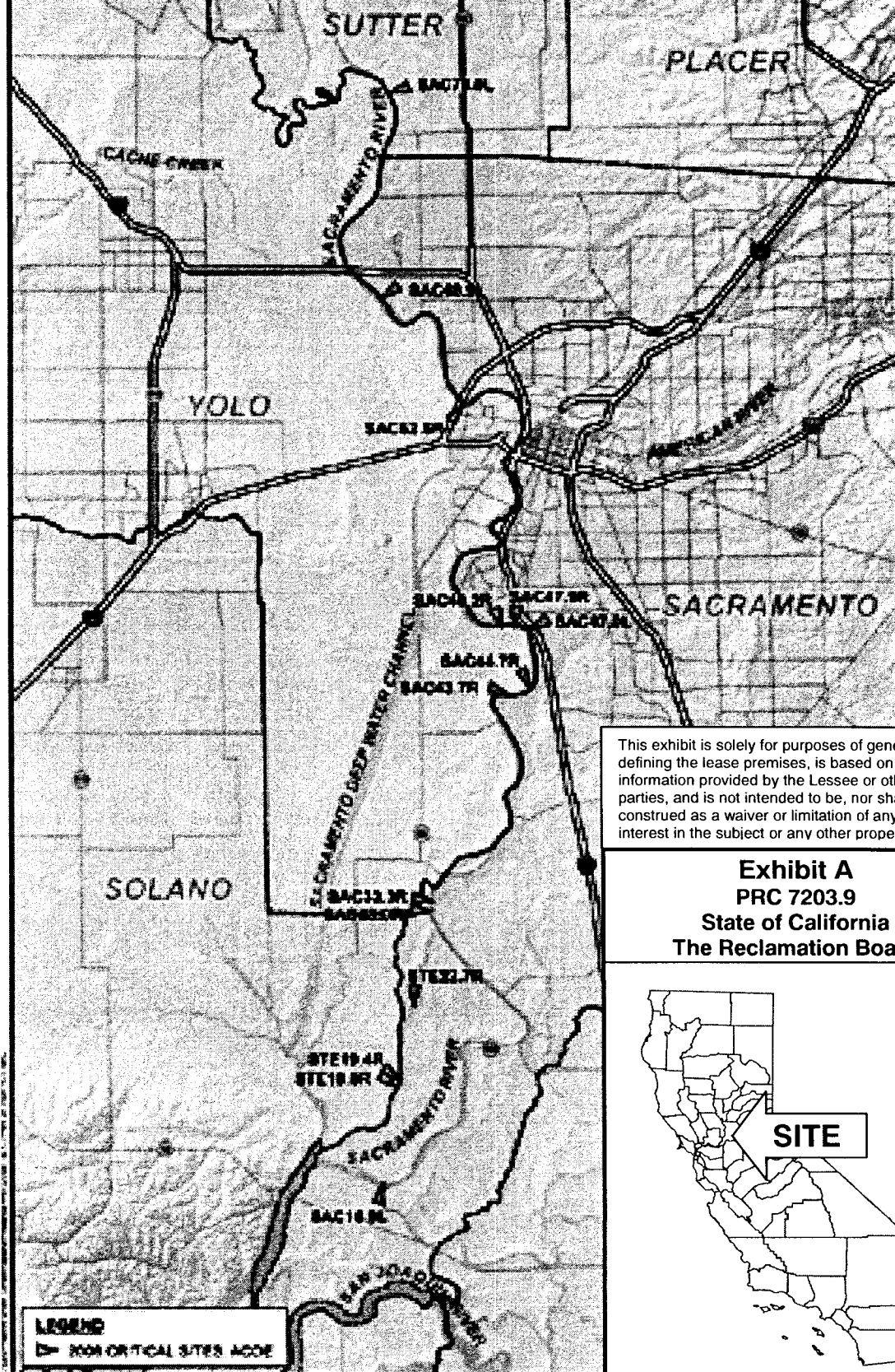
FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED BY THE COMMISSION FOR THE LAND PURSUANT TO PUBLIC RESOURCES CODE SECTIONS 6370, ET SEQ.

AUTHORIZATION:

AUTHORIZE THE AMENDMENT OF MASTER LEASE NO. PRC 7203.9, OF LANDS SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF, EFFECTIVE DECEMBER 14, 2006, TO INCLUDE BANK PROTECTION WORK ON 14 CRITICAL LEVEE SITES SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF; ALL OTHER TERMS AND CONDITIONS OF THE LEASE WILL REMAIN IN EFFECT WITHOUT AMENDMENT.



California Department of Water Resources 2006 Critical Sites Identified by Ayres



This exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties, and is not intended to be, nor shall it be construed as a waiver or limitation of any State interest in the subject or any other property.

Exhibit A PRC 7203.9 State of California The Reclamation Board



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D.J. 12/06